

MINUTES FOR THE NEWBERG FINANCE COMMITTEE

Monday, February 23, 1998

Newberg Public Library

Members Present: Chuck Cox Fred Howe
 Bert Pennock Robert Larson
 Rebecka Ratcliffe Tim Codiga

Others Present: Donna Proctor, Mayor Duane Cole, City Manager
 Debbie Smith-Wagar, Asst. Finance Director
 Kathy Tri, Finance Director

Chair Cox called the committee to order at 7:00 p.m.

MINUTES: The minutes of the January 26, 1998 were reviewed. MOTION: Cox/Howe moved to approve the minutes of January 26, 1998. Approved by those present.

NEW BUSINESS:

Management Letter: Debbie Smith-Wagar reviewed the management letter from Grant Thornton, the City's auditor. She indicated that computer access to parting staff was being taken of immediately and supervisors are changing passwords quarterly. The Department of Energy loan has been added to the general long-term debt account group. The pension accounting will depend upon if the City can get the information from the actuary. Kathy Tri indicated that the actuary gets the information from the Principal Financial Group and this may be difficult. Also Oregon-PERS does not provide this information either. The accounting for investments will be addressed in the monthly reporting of investments, and the next audit will reflect compliance with GASB Statement No. 13. Committee members added that this letter should be added to the copy of the financial statements at the Library.

MOTION: Cox/Larson moved to approve the management letter report. Passed by those present.

Committee Work Schedule: Kathy Tri presented a committee work schedule for 1998. There were no additions or changes.

Review of Fiscal Policies: Kathy Tri explained that the Fiscal Policies should be reviewed periodically by the Finance Committee and affirmed by the Council. They are included in the annual budget document. Chuck Cox began by adding to the Objectives a statement that the policies should provide public confidence in handling financial matters. He also questioned the floating debt limit. Bob Larson asked who monitors the limit. Kathy Tri responded that Finance and the Bond Counsel monitor it. Other questions were asked about user fee reviews and work load indicators. Kathy Tri stated that users fees include water, sewer and ambulance rates as well as other miscellaneous fees the City charges. Work load indicators are included in the budget and many departments include them in their monthly reports or annual reports, such as crime statistics or fires.

Fred Howe suggested that the Finance staff may wish to stagger their hours to be open after 5:00

p.m. on certain days or be available at the Library to answer questions. He was concerned about the amount of time it takes to respond to citizen questions.

Kathy Tri stated that she will integrate the committee comments into the policies and return with a revised draft at the next meeting.

Economic Development Loan Fund: Duane Cole presented service options for economic development. The first option is to keep contracting with the COG for the economic development revolving loan fund. The second option is to use some of the funds to support a economic development coordinator/planner. The committee members were generally receptive to the idea. Bert Pennock wanted to be sure that there were firm performance measures in place and that they be accomplished within a specified period of time. A two-year contract was mentioned. MOTION: Larson/Howe moved to approve Resolution A for Council approval (hire an economic development planner). Passed 3-2, 1 abstained.

Citizen Rate Review Committee: Kathy Tri indicated that the Council activated the Citizen Rate Review Committee to review water rates and systems development charges. Meetings should begin in the spring. She expressed interest in having committee members apply for appointment to the committee. She will send applications to those interested.

MONTHLY TRANSACTIONS: Chuck Cox and Bob Larson asked questions about various transactions.

MONTHLY REPORT: Kathy Tri mentioned the large number of door hangers and turn offs. Fred Howe asked if the City accepted food stamps for water. He mentioned that McMinnville Water and Light accepts donations which go to a special fund to be used to help with utility bills. The program is administered similarly to the City's current program. He will asked about food stamps. Bob Larson asked about the spending rate of Building and Planning. Kathy Tri indicated that both revenues and expenditures are up and will be included in the supplemental budget. Chuck Cox asked about the Gazebo expenses. Bob Larson asked about investments which came due in February. Debbie Smith-Wagar indicated that the funds went to the pool which is earning 5.7%, higher than anything else available on the market for the City.

ADJOURNMENT: The committee moved to adjourn at 8:45 p.m.